



General Assembly

February Session, 2004

Raised Bill No.

LCO No. 74

Referred to Committee on

Introduced by:
(GAE)

***AN ACT EXTENDING PROVISIONS OF THE STATE CODE OF ETHICS
FOR LOBBYISTS TO MUNICIPAL LOBBYISTS.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. (NEW) (*Effective January 1, 2005*) As used in sections 1 to
2 16, inclusive, of this act, unless the context otherwise requires:

3 (1) "Administrative action" means any action or nonaction of any
4 agency of a municipality with respect to the proposal, drafting,
5 development, consideration, amendment, adoption or repeal of any
6 rule, regulation, ordinance, referendum, budget or utility rate, and any
7 action or nonaction of any agency, regarding a contract, grant, award,
8 purchasing agreement, loan, bond, certificate, license, permit or any
9 other matter which is within the official jurisdiction or cognizance of
10 such an agency.

11 (2) "Business organization" means a sole proprietorship,
12 corporation, limited liability company, association, firm or partnership,
13 other than a client lobbyist, which is owned by, or employs one or
14 more individual lobbyists.

15 (3) "Candidate for municipal office" means any person who has filed
16 a declaration of candidacy or a petition to appear on the ballot for
17 election as a municipal official, or who has raised or expended money
18 in furtherance of such candidacy, or who has been nominated for
19 appointment to serve as a municipal official.

20 (4) "Client lobbyist" means a lobbyist on behalf of whom lobbying
21 takes place and who makes expenditures for lobbying and in
22 furtherance of lobbying.

23 (5) "Commission" means the State Ethics Commission established
24 under section 1-80 of the general statutes.

25 (6) "Communicator lobbyist" means a lobbyist who communicates
26 directly or solicits others to communicate with an official or such
27 official's staff in a municipality for the purpose of influencing
28 legislative or administrative action.

29 (7) "Compensation" means any value received or to be received by a
30 person acting as a lobbyist, whether in the form of a fee, salary or
31 forbearance.

32 (8) "Expenditure" means any advance, conveyance, deposit,
33 distribution, transfer of funds, loan, payment, unless expressly
34 excluded; any payments for telephone, mailing, postage, printing and
35 other clerical or office services and materials; any paid
36 communications, costing fifty dollars or more in any calendar year,
37 disseminated by means of any printing, broadcasting or other
38 medium, provided such communications refer to pending
39 administrative or legislative action; any contract, agreement, promise
40 or other obligation; any solicitation or solicitations, costing fifty dollars
41 or more in the aggregate for any calendar year, of other persons to
42 communicate with a municipal official or municipal employee for the
43 purpose of influencing any legislative or administrative act and any
44 pledge, subscription of money or anything of value. "Expenditure"
45 shall not include the payment of a registrant's fee pursuant to section 6

46 of this act, any expenditure made by any club, committee, partnership,
47 organization, business, union, association or corporation for the
48 purpose of publishing a newsletter or other release to its members,
49 shareholders or employees, or contributions, membership dues or
50 other fees paid to associations, nonstock corporations or tax-exempt
51 organizations under Section 501(c) of the Internal Revenue Code of
52 1986, or any subsequent corresponding internal revenue code of the
53 United States, as from time to time amended.

54 (9) "Gift" means anything of value, which is directly and personally
55 received, unless consideration of equal or greater value is given in
56 return. "Gift" shall not include:

57 (A) A political contribution otherwise reported as required by law
58 or a donation or payment described in subdivision (9) or (10) of
59 subsection (b) of section 9-333b of the general statutes;

60 (B) Services provided by persons volunteering their time;

61 (C) A commercially reasonable loan made on terms not more
62 favorable than loans made in the ordinary course of business;

63 (D) A gift received from (i) the individual's spouse, fiance or fiancée,
64 (ii) the parent, brother or sister of such spouse or such individual, or
65 (iii) the child of such individual or the spouse of such child;

66 (E) Goods or services (i) which are provided to a municipality (I) for
67 use on municipal property, or (II) to support an event or the
68 participation by a municipal official or municipal employee at an
69 event, and (ii) which facilitate municipal action or functions. As used
70 in this subdivision, "municipal property" means property owned or
71 leased by the municipality;

72 (F) A certificate, plaque or other ceremonial award costing less than
73 one hundred dollars;

74 (G) A rebate, discount or promotional item available to the general

75 public;

76 (H) Printed or recorded informational material germane to
77 municipal action or functions;

78 (I) Food or beverage or both, costing less than fifty dollars in the
79 aggregate per recipient in a calendar year, and consumed on an
80 occasion or occasions at which the person paying, directly or
81 indirectly, for the food or beverage, or the person's representative, is in
82 attendance;

83 (J) A gift, including but not limited to, food or beverage or both,
84 provided by an individual for the celebration of a major life event;

85 (K) Gifts costing less than one hundred dollars in the aggregate or
86 food or beverage provided at a hospitality suite at a meeting or
87 conference of an interstate municipal association, by a person who is
88 not a registrant or is not doing business with the state of Connecticut;

89 (L) Admission to a charitable or civic event, including food and
90 beverage provided at such event, but excluding lodging or travel
91 expenses, at which a municipal official or municipal employee
92 participates in such official's or employee's official capacity, provided
93 such admission is provided by the primary sponsoring entity;

94 (M) Anything of value provided by an employer of (i) a municipal
95 official, (ii) a municipal employee, or (iii) a spouse of a municipal
96 official or municipal employee, to such official, employee or spouse,
97 provided such benefits are customarily and ordinarily provided to
98 others in similar circumstances; or

99 (N) Anything having a value of not more than ten dollars, provided
100 the aggregate value of all things provided by a donor to a recipient
101 under this subdivision in any calendar year shall not exceed fifty
102 dollars.

103 (10) "Immediate family" means any spouse, dependent children or

104 dependent relatives who reside in the individual's household.

105 (11) "Individual" means a natural person.

106 (12) "Legislative action" means introduction, sponsorship,
107 consideration, debate, amendment, passage, defeat, approval, veto,
108 overriding of a veto or any other official action or nonaction with
109 regard to any rule, regulation, ordinance, referendum, budget,
110 measure, resolution, amendment, nomination, appointment, report, or
111 any other matter pending or proposed in a legislative body of a
112 municipality, or any matter which is within the official jurisdiction or
113 cognizance of such legislative body.

114 (13) "Lobbying" means communicating directly or soliciting others
115 to communicate with any official or such official's staff in a
116 municipality, for the purpose of influencing any legislative or
117 administrative action except that the term "lobbying" does not include
118 (A) communications by or on behalf of a party to, or an intervenor in, a
119 contested case, as defined in regulations adopted by the commission in
120 accordance with the provisions of chapter 54 of the general statutes,
121 before a municipality, (B) communications by a representative of a
122 vendor or by an employee of the client lobbyist which representative
123 or employee acts as a salesperson and does not otherwise engage in
124 lobbying regarding any administrative action, (C) communications by
125 an attorney made while engaging in the practice of law and regarding
126 any matter other than legislative action or the proposal, drafting,
127 development, consideration, amendment, adoption or repeal of any
128 rule, regulation, ordinance, referendum or budget, (D)
129 notwithstanding the provisions of subparagraph (C) of this
130 subdivision, communications by an attorney, made while engaging in
131 the practice of law, with any official or staff of any agency of the
132 municipality having responsibility for land use decisions or the
133 legislative body of the municipality, concerning legislative action or
134 the proposal, drafting, development, consideration, amendment,
135 adoption or repeal of any rule, regulation, ordinance, referendum or

136 budget, with regard to a land use matter before such agency or
137 legislative body, or (E) other communications exempted by regulations
138 adopted by the commission in accordance with the provisions of
139 chapter 54 of the general statutes.

140 (14) "Lobbyist" means a person who in lobbying and in furtherance
141 of lobbying, with regard to a single municipality, makes or agrees to
142 make expenditures, or receives or agrees to receive compensation,
143 reimbursement, or both, and such compensation, reimbursement or
144 expenditures for a single municipality are two thousand dollars or
145 more in any calendar year or the combined amount thereof for a single
146 municipality is two thousand dollars or more in any such calendar
147 year. Lobbyist shall not include:

148 (A) A municipal official or municipal employee, or such official's or
149 employee's designee other than an independent contractor, who is
150 acting within the scope of such official's, employee's or designee's
151 authority or employment;

152 (B) A publisher, owner or an employee of the press, radio or
153 television while disseminating news or editorial comment to the
154 general public in the ordinary course of business;

155 (C) An individual representing such individual or another person
156 before the municipality other than for the purpose of influencing
157 legislative or administrative action;

158 (D) Any individual or employee who receives no compensation or
159 reimbursement specifically for lobbying and who limits such
160 individual's or employee's activities solely to formal appearances to
161 give testimony before public sessions of the legislative body of a
162 municipality and who, if such individual or employee testifies,
163 registers such individual's or employee's appearance in the records of
164 the legislative body;

165 (E) A member of an advisory board acting within the scope of such

166 member's appointment;

167 (F) Any person who receives no compensation or reimbursement
168 specifically for lobbying and who spends no more than five hours
169 lobbying or in furtherance of lobbying, unless such person, exclusive
170 of salary, receives compensation or makes expenditures, or both, of
171 two thousand dollars or more in any calendar year for lobbying or the
172 combined amount thereof is two thousand dollars or more in any such
173 calendar year;

174 (G) A communicator lobbyist who receives or agrees to receive
175 compensation, reimbursement, or both, the aggregate amount of which
176 is less than two thousand dollars from each client in any calendar year;

177 (H) A public official or state employee, as defined in section 1-79 of
178 the general statutes, other than an independent contractor, who is
179 acting within the scope of his or her authority or employment; or

180 (I) A senator or representative in Congress acting within the scope
181 of such senator's or representative's office.

182 (15) "Member of an advisory board" means any person appointed by
183 a municipal official as an advisor or consultant or member of a
184 committee, commission or council established to advise, recommend
185 or consult with a municipal official or a branch of municipal
186 government or a committee thereof and who receives no public funds
187 other than per diem payments or reimbursement for such person's
188 actual and necessary expenses incurred in the performance of such
189 person's official duties and who has no authority to expend any public
190 funds or to exercise the power of a municipality.

191 (16) "Municipal official" means any elected municipal officer or any
192 person appointed to any office of a municipality.

193 (17) "Municipal employee" means any employee of a municipality,
194 whether in the classified or unclassified service and whether full or
195 part-time.

196 (18) "Municipality" means any city, town, borough, municipal
197 corporation, municipal authority, school district, regional district,
198 metropolitan district or other district.

199 (19) "Person" means an individual, a business, corporation, limited
200 liability company, union, association, firm, partnership, committee,
201 club or other organization or group of persons.

202 (20) "Political contribution" has the same meaning as in section 9-
203 333b of the general statutes except that for purposes of sections 1 to 16,
204 inclusive, of this act, the provisions of subsection (b) of section 9-333b
205 of the general statutes shall not apply.

206 (21) "Registrant" means a person who is required to register
207 pursuant to section 5 of this act.

208 (22) "Reimbursement" means any money or thing of value received
209 or to be received in the form of payment for expenses as a lobbyist, not
210 including compensation.

211 Sec. 2. (NEW) (*Effective January 1, 2005*) The State Ethics Commission
212 shall:

213 (1) Adopt regulations in accordance with chapter 54 of the general
214 statutes to carry out the purposes of sections 1 to 16, inclusive, of this
215 act. The commission shall adopt regulations which further clarify the
216 meaning of the terms "directly and personally received" and "major life
217 event", as used in section 1 of this act;

218 (2) Compile and maintain an index of all reports and statements
219 filed with the commission under the provisions of sections 1 to 16,
220 inclusive, of this act and advisory opinions issued by the commission
221 with regard to the requirements of said sections, to facilitate public
222 access to such reports, statements and advisory opinions promptly
223 upon the filing or issuance thereof;

224 (3) Prepare quarterly and annual summaries of statements and

225 reports filed with the commission and advisory opinions issued by the
226 commission;

227 (4) Preserve advisory opinions permanently and preserve
228 memoranda filed under subsection (f) of section 4 of this act,
229 statements and reports filed by and with the commission for a period
230 of five years from the date of receipt;

231 (5) Upon the concurring vote of four of its members, issue advisory
232 opinions with regard to the requirements of this part, upon the request
233 of any person, subject to the provisions of sections 1 to 16, inclusive, of
234 this act, and publish such advisory opinions in the Connecticut Law
235 Journal. Advisory opinions rendered by the commission, until
236 amended or revoked, shall be binding on the commission and shall be
237 deemed to be final decisions of the commission for purposes of section
238 14 of this act. Any advisory opinion concerning any person subject to
239 the provisions of sections 1 to 16, inclusive, of this act who requested
240 the opinion and who acted in reliance thereon, in good faith, shall be
241 binding upon the commission, and it shall be an absolute defense in
242 any criminal action brought under the provisions of said sections that
243 the accused acted in reliance upon such advisory opinion;

244 (6) Report annually, prior to February fifteenth, to the Governor
245 summarizing the activities of the commission concerning sections 1 to
246 16, inclusive, of this act;

247 (7) Employ necessary staff within available appropriations to carry
248 out the purposes of sections 1 to 16, inclusive, of this act.

249 Sec. 3. (NEW) (*Effective January 1, 2005*) (a) (1) Upon the complaint of
250 any person on a form prescribed by the State Ethics Commission,
251 signed under penalty of false statement, or upon its own complaint,
252 the commission shall investigate any alleged violation of sections 1 to
253 16, inclusive, of this act. Not later than five days after the receipt or
254 issuance of such complaint, the commission shall provide notice of
255 such receipt or issuance and a copy of the complaint by registered or

256 certified mail to any respondent against whom such complaint is filed
257 and shall provide notice of the receipt of such complaint to the
258 complainant. When the commission undertakes an evaluation of a
259 possible violation of sections 1 to 16, inclusive, of this act prior to the
260 filing of a complaint by the commission, the subject of the evaluation
261 shall be notified within five business days after a commission staff
262 member's first contact with a third party concerning the matter.

263 (2) In the conduct of its investigation of an alleged violation of
264 sections 1 to 16, inclusive, of this act, the commission shall have the
265 power to hold hearings, administer oaths, examine witnesses, receive
266 oral and documentary evidence, subpoena witnesses under procedural
267 rules adopted by the commission as regulations in accordance with the
268 provisions of chapter 54 of the general statutes to compel attendance
269 before the commission and to require the production for examination
270 by the commission of any document or physical evidence that the
271 commission deems relevant in any matter under investigation or in
272 question. In the exercise of such powers, the commission may use the
273 services of the state police, who shall provide the same upon the
274 commission's request. The commission shall make a record of all
275 proceedings conducted pursuant to this subsection. Any witness
276 summoned before the commission shall receive the witness fee paid to
277 witnesses in the courts of this state. The respondent shall have the
278 right to appear and be heard and to offer any information which may
279 tend to clear the respondent of probable cause to believe that the
280 respondent has violated any provision of sections 1 to 16, inclusive, of
281 this act. The respondent shall also have the right to be represented by
282 legal counsel and to examine and cross-examine witnesses. Not later
283 than ten days prior to the commencement of any hearing conducted
284 pursuant to this subsection, the commission shall provide the
285 respondent with a list of its intended witnesses. The commission shall
286 make no finding that there is probable cause to believe the respondent
287 is in violation of sections 1 to 16, inclusive, of this act, except upon the
288 concurring vote of four of its members.

289 (b) If a preliminary investigation indicates that probable cause exists
290 for the violation of a provision of sections 1 to 16, inclusive, of this act,
291 the commission shall initiate hearings to determine whether there has
292 been a violation of said sections. A judge trial referee, who shall be
293 assigned by the Chief Court Administrator and who shall be
294 compensated in accordance with section 52-434 of the general statutes
295 out of funds available to the commission, shall preside over such
296 hearing and shall rule on all matters concerning the application of the
297 rules of evidence, which shall be the same as in judicial proceedings.
298 The trial referee shall have no vote in any decision of the commission.
299 All hearings of the commission held pursuant to this subsection shall
300 be open. At such hearing the commission shall have the same powers
301 as under subsection (a) of this section and the respondent shall have
302 the right to be represented by legal counsel, the right to compel
303 attendance of witnesses and the production of books, documents,
304 records and papers and to examine and cross-examine witnesses. Not
305 later than ten days prior to the commencement of any hearing
306 conducted pursuant to this subsection, the commission shall provide
307 the respondent with a list of its intended witnesses. The judge trial
308 referee shall, while engaged in the discharge of the judge trial referee's
309 duties as provided in this subsection, have the same authority as is
310 provided in section 51-35 of the general statutes over witnesses who
311 refuse to obey a subpoena or to testify with respect to any matter upon
312 which such witness may be lawfully interrogated, and may commit
313 any such witness for contempt for a period no longer than thirty days.
314 The commission shall make a record of all proceedings pursuant to
315 this subsection. The commission shall find no person in violation of
316 any provision of sections 1 to 16, inclusive, of this act except upon the
317 concurring vote of five of its members. Not later than fifteen days after
318 the public hearing conducted in accordance with this subsection, the
319 commission shall publish its finding and a memorandum of the
320 reasons for such finding. Such finding and memorandum shall be
321 deemed to be the final decision of the commission on the matter for the
322 purposes of chapter 54 of the general statutes. The respondent, if

323 aggrieved by the finding and memorandum, may appeal therefrom to
324 the Superior Court in accordance with the provisions of section 4-183
325 of the general statutes.

326 (c) If any complaint brought under the provisions of sections 1 to 16,
327 inclusive, of this act is made with the knowledge that it is made
328 without foundation in fact, the respondent shall have a cause of action
329 against the complainant for double the amount of damage caused
330 thereby and if the respondent prevails in such action, the respondent
331 may be awarded by the court the costs of such action together with
332 reasonable attorneys' fees.

333 (d) No complaint may be made under this section except within
334 three years next after the violation alleged in the complaint has been
335 committed.

336 (e) No person shall take or threaten to take official action against an
337 individual for such individual's disclosure of information to the
338 commission under the provisions of sections 1 to 16, inclusive, of this
339 act. After receipt of information from an individual under the
340 provisions of sections 1 to 16, inclusive, of this act, the commission
341 shall not disclose the identity of such individual without the
342 individual's consent unless the commission determines that such
343 disclosure is unavoidable during the course of an investigation.

344 Sec. 4. (NEW) (*Effective January 1, 2005*) (a) Unless the State Ethics
345 Commission makes a finding of probable cause, a complaint alleging a
346 violation of sections 1 to 16, inclusive, of this act shall be confidential
347 except upon the request of the respondent. A commission evaluation
348 of a possible violation of said sections undertaken prior to a complaint
349 being filed by the commission shall be confidential except upon the
350 request of the subject of the evaluation. If the evaluation is
351 confidential, no information supplied to or received from the
352 commission shall be disclosed to any third party by a subject of the
353 evaluation, a person contacted for the purpose of obtaining
354 information or by a commission or staff member. No provision of this

355 subsection shall prevent the commission from reporting the possible
356 commission of a crime to the Chief State's Attorney or other
357 prosecutorial authority.

358 (b) An investigation conducted prior to a probable cause finding
359 shall be confidential except upon the request of the respondent. If the
360 investigation is confidential, the allegations in the complaint and any
361 information supplied to or received from the commission shall not be
362 disclosed during the investigation to any third party by a complainant,
363 respondent, witness, designated party, or commission or staff member.

364 (c) Not later than three business days after the termination of the
365 investigation, the commission shall inform the complainant and the
366 respondent of its finding and provide them a summary of its reasons
367 for making that finding. The commission shall publish its finding upon
368 the respondent's request and may also publish a summary of its
369 reasons for making such finding.

370 (d) If the commission makes a finding of no probable cause, the
371 complaint and the record of its investigation shall remain confidential,
372 except upon the request of the respondent and except that some or all
373 of the record may be used in subsequent proceedings. No complainant,
374 respondent, witness, designated party, or commission or staff member
375 shall disclose to any third party any information learned from the
376 investigation, including knowledge of the existence of a complaint,
377 which the disclosing party would not otherwise have known. If such a
378 disclosure is made, the commission may, after consultation with the
379 respondent if the respondent is not the source of the disclosure,
380 publish its finding and a summary of its reasons therefor.

381 (e) The commission shall make public a finding of probable cause
382 not later than five business days after the termination of the
383 investigation. At such time the entire record of the investigation shall
384 become public, except that the commission may postpone examination
385 or release of such public records for a period not to exceed fourteen
386 days for the purpose of reaching a stipulation agreement pursuant to

387 subsection (c) of section 4-177 of the general statutes.

388 Sec. 5. (NEW) (*Effective January 1, 2005*) (a) A lobbyist shall register
389 with the State Ethics Commission pursuant to section 6 of this act for
390 lobbying a municipality if the lobbyist:

391 (1) Receives or agrees to receive compensation or reimbursement for
392 actual expenses, or both, in a combined amount of two thousand
393 dollars or more in a calendar year for lobbying said municipality,
394 whether that receipt of compensation or reimbursement or agreement
395 to receive such compensation or reimbursement is solely for lobbying
396 or the lobbying is incidental to that person's regular employment; or

397 (2) Makes or incurs an obligation to make expenditures of two
398 thousand dollars or more in a calendar year for lobbying said
399 municipality.

400 (b) A lobbyist shall register separately with the commission for each
401 municipality for which the lobbyist meets the threshold requirement
402 for registering under subsection (a) of this section.

403 (c) A person who is a lobbyist pursuant to part II of chapter 10 of the
404 general statutes and is required to register with the commission
405 pursuant to section 1-94 of the general statutes shall register separately
406 with the commission for each municipality for which the lobbyist
407 meets the threshold requirement for registering under subsection (a) of
408 this section.

409 Sec. 6. (NEW) (*Effective January 1, 2005*) (a) Each registrant shall file
410 annually with the State Ethics Commission on a separate registration
411 form for each municipality for which the registrant meets the threshold
412 requirement for registering under subsection (a) of section 5 of this act.
413 The registrant shall sign each such form under penalty of false
414 statement and file such forms with the commission on or before
415 January fifteenth or prior to the commencement of lobbying,
416 whichever is later. If the registrant is not an individual, an authorized

417 officer or agent of the registrant shall sign each form. Such registration
418 or registrations shall be on a form prescribed by the commission and
419 shall include:

420 (1) If the registrant is an individual, the registrant's name,
421 permanent address and temporary address while lobbying and the
422 name, address and nature of business of any person who compensates
423 or reimburses, or agrees to compensate or reimburse the registrant and
424 the terms of the compensation, reimbursement or agreement, but shall
425 not include the compensation paid to an employee for the employee's
426 involvement in activities other than lobbying;

427 (2) If the registrant is a corporation, the name, address, place of
428 incorporation and the principal place of business of the corporation;

429 (3) If the registrant is an association, group of persons or an
430 organization, the name and address of the principal officers and
431 directors of such association, group of persons or organization. If the
432 registrant is formed primarily for the purpose of lobbying, it shall
433 disclose the name and address of any person contributing two
434 thousand dollars or more to the registrant's lobbying activities in any
435 calendar year;

436 (4) If the registrant is not an individual, the name and address of
437 each individual who will lobby on the registrant's behalf; and

438 (5) The name of the municipality that the registrant is lobbying and
439 the identification, with reasonable particularity, of areas of legislative
440 action or administrative action on which the registrant expects to
441 lobby.

442 (b) Each registrant shall pay a reasonable fee not in excess of the cost
443 of administering each registration form provided for in subsection (a)
444 of this section plus the cost of collecting, filing, copying and
445 distributing the information filed by registrants under section 7 of this
446 act, but not less than twenty-five dollars.

447 (c) Each registrant shall file a notice of termination within thirty
448 days after the registrant ceases the activity that required registration,
449 provided the registrant does not intend to resume the activity during
450 the annual period for which the registrant is registered. The
451 termination of a registration shall not relieve the registrant of the
452 reporting requirements of section 7 of this act for the period preceding
453 the date that the registrant's notice of termination is received by the
454 commission or for the period commencing on such date and ending on
455 December thirty-first of the year in which termination occurs.

456 Sec. 7. (NEW) (*Effective January 1, 2005*) (a) Each client lobbyist
457 registrant shall file with the State Ethics Commission between the first
458 and tenth day of April, July, October and January a financial report,
459 signed under penalty of false statement. Each report shall cover its
460 lobbying activities during the previous calendar quarter. If the client
461 lobbyist registrant is not an individual, an authorized officer or agent
462 of the client lobbyist registrant shall sign the form.

463 (b) Each individual communicator lobbyist registrant and each
464 business organization communicator lobbyist registrant shall file with
465 the commission between the first and tenth day of January a report or
466 reports, signed under penalty of false statement, reporting the
467 amounts of compensation and reimbursement received from each of
468 the registrant's clients during the previous year. In addition, each
469 individual communicator lobbyist registrant and each business
470 organization communicator lobbyist registrant shall: (1) Report the
471 fundamental terms of contracts, agreements or promises to pay or
472 receive compensation or reimbursement or to make expenditures in
473 furtherance of lobbying, including the categories of work to be
474 performed and the dollar value or compensation rate of the contract, at
475 the time of registration; (2) report, in accordance with the schedule set
476 forth in subsection (a) of this section, any amendments to these
477 fundamental terms, including any agreements to subcontract lobbying
478 work; and (3) report, in accordance with the schedule set forth in
479 subsection (a) of this section, any expenditures for the benefit of a

480 municipal official or a member of the staff or immediate family of the
481 municipal official that are unreimbursed and required to be itemized.
482 Such report shall not include the disclosure of food and beverage
483 provided by a communicator lobbyist registrant to a municipal official
484 or a member of the municipal official's staff or immediate family at a
485 major life event, as defined by the commission, of the registrant. All
486 such information shall be reported under penalty of false statement.

487 (c) An individual communicator lobbyist registrant shall file a
488 separate report for each person from whom the registrant received
489 compensation or reimbursement. Notwithstanding any provision of
490 this subsection to the contrary, a business organization to which one or
491 more individual communicator lobbyist registrants belongs may file a
492 single report for each client lobbyist in lieu of any separate reports that
493 individual registrants are required to file pursuant to this subsection.

494 (d) Each registrant who files a notice of termination under
495 subsection (c) of section 6 of this act shall file with the commission a
496 financial report, under penalty of false statement, between the first and
497 tenth day of January of the year following termination.

498 (e) Each client lobbyist registrant financial report shall be on a form
499 prescribed by the commission and shall state expenditures made and
500 the fundamental terms of contracts, agreements or promises to pay
501 compensation or reimbursement or to make expenditures in
502 furtherance of lobbying. Any such fundamental terms shall be
503 reported once in the quarterly or post-termination report next
504 following the entering into of such contract. Such financial report shall
505 include an itemized statement of each expenditure of ten dollars or
506 more per person for each occasion made by the reporting registrant or
507 a group of registrants that includes the reporting registrant for the
508 benefit of a municipal official or a member of the municipal official's
509 staff or immediate family, itemized by date, beneficiary, amount and
510 circumstances of the transaction. The requirement of an itemized
511 statement shall not apply to an expenditure made by a reporting

512 registrant or a group of registrants which includes the reporting
513 registrant for benefits personally and directly received by a municipal
514 official or municipal employee at a charitable or civic event at which
515 the municipal official or municipal employee participates in such
516 official's or employee's official capacity, unless the expenditure is thirty
517 dollars or more per person, per event. If the compensation is required
518 to be reported for an individual whose lobbying is incidental to such
519 individual's regular employment, it shall be sufficient to report a
520 prorated amount based on the value of the time devoted to lobbying.
521 On the first financial report following registration each client lobbyist
522 registrant shall include any expenditures incident to lobbying activities
523 that were received or expended prior to registration and not
524 previously reported to the commission.

525 (f) The commission shall, by regulations adopted in accordance with
526 chapter 54 of the general statutes, establish minimum amounts for each
527 item required to be reported, below which reporting may be made in
528 the aggregate. The provisions of this subsection shall not apply to
529 expenditures made for the benefit of a municipal official or a member
530 of such person's staff or immediate family.

531 (g) Each former registrant shall (1) report receipts or expenditures
532 incident to lobbying activities during the former registrant's period of
533 registration that are received or expended following termination of
534 registration, and (2) report each expenditure of ten dollars or more per
535 person for each occasion made by the former registrant for the benefit
536 of a municipal official or a member of such official's immediate family
537 or staff that occurs within six months after termination of registration.

538 (h) The commission shall, within thirty days after receipt of a
539 financial report that contains the name of a municipal official or a
540 member of such official's staff or immediate family, send a written
541 notice to such official, of the filing of the report and the name of the
542 person who filed it.

543 Sec. 8. (NEW) (*Effective January 1, 2005*) (a) Each registrant shall

544 obtain and preserve all accounts, bills, receipts and other documents
545 necessary to substantiate the financial reports required by section 7 of
546 this act for a period of three years from the date of the filing of the
547 report referring to such financial matters, provided this section shall
548 apply to each expenditure for the benefit of a municipal official of ten
549 dollars or more and all other expenditures of fifty dollars or more.

550 (b) The State Ethics Commission may require, on a random basis,
551 any registrant to make all such documents substantiating financial
552 reports concerning lobbying activities available for inspection and
553 copying by the commission for the purpose of verifying such financial
554 reports, provided no registrant shall be subject to such requirement
555 more than one time during any three consecutive years. The
556 commission shall select registrants to be audited by lot in a ceremony
557 which shall be open to the public. Nothing in this subsection shall
558 require a registrant to make any documents concerning nonlobbying
559 activities available to the commission for inspection and copying.

560 Sec. 9. (NEW) (*Effective January 1, 2005*) Each registrant required to
561 file any financial reports under section 7 of this act shall do so in
562 electronic form using the electronic filing program developed by the
563 State Ethics Commission.

564 Sec. 10. (NEW) (*Effective January 1, 2005*) The State Ethics
565 Commission shall make all computerized data from financial reports
566 required by section 7 of this act available to the public through (1) a
567 computer terminal in the office of the commission, and (2) the Internet
568 or any other generally available on-line computer network.

569 Sec. 11. (NEW) (*Effective January 1, 2005*) Each registrant who pays
570 or reimburses a municipal official or municipal employee ten dollars
571 or more for necessary expenses shall, within thirty days, file a
572 statement with the commission indicating the name of such individual
573 and the amount of the expenses. As used in this section, "necessary
574 expenses" means a municipal official's or municipal employee's
575 expenses for an article, appearance or speech or for participation at an

576 event, in such official's or employee's official capacity, which shall be
577 limited to necessary travel expenses, lodging for the nights before, of
578 and after the appearance, speech or event, meals and any related
579 conference or seminar registration fees.

580 Sec. 12. (NEW) (*Effective January 1, 2005*) (a) No registrant or anyone
581 acting on behalf of a registrant shall knowingly give a gift to any
582 municipal official, municipal employee, candidate for municipal office
583 or a member of any such person's staff or immediate family. Nothing
584 in this section shall be construed to permit any activity prohibited
585 under section 53a-147 or 53a-148 of the general statutes, as amended.

586 (b) No person or business organization shall be employed to lobby
587 for compensation which is contingent upon the outcome of any
588 administrative or legislative action. No person shall employ a lobbyist
589 or business organization for compensation that is contingent upon the
590 outcome of any administrative or legislative action.

591 (c) No lobbyist may: (1) Do anything with the purpose of placing
592 any municipal official under personal obligation; (2) attempt to
593 influence any legislative action or administrative action for the
594 purpose of thereafter being employed to secure its defeat; (3) cause any
595 communication to be sent to any municipal official in the name of any
596 other individual except with the consent of such individual.

597 (d) Any person who gives to a municipal official, municipal
598 employee or candidate for municipal office, or a member of any such
599 person's staff or immediate family anything of value which is subject
600 to the reporting requirements pursuant to subsection (e) of section 7 of
601 this act shall, not later than ten days thereafter, give such recipient a
602 written report stating the name of the donor, a description of the item
603 or items given, the value of such items and the cumulative value of all
604 items given to such recipient during that calendar year. The provisions
605 of this subsection shall not apply to a political contribution otherwise
606 reported as required by law.

607 Sec. 13. (NEW) (*Effective January 1, 2005*) Any person aggrieved by
608 any final decision of the State Ethics Commission, made pursuant to
609 sections 1 to 16, inclusive, of this act, may appeal such decision in
610 accordance with the provisions of section 4-175 or 4-183 of the general
611 statutes.

612 Sec. 14. (NEW) (*Effective January 1, 2005*) (a) The State Ethics
613 Commission, upon a finding made pursuant to section 3 of this act that
614 there has been a violation of any provision of sections 1 to 16,
615 inclusive, of this act, shall have the authority to order the violator to do
616 any or all of the following: (1) Cease and desist the violation of said
617 sections; (2) file any report, statement or other information as required
618 by said sections; or (3) pay a civil penalty of not more than two
619 thousand dollars for each violation of said sections. The commission
620 may prohibit any person who intentionally violates any provision of
621 said sections from engaging in the profession of lobbyist for a period of
622 not more than two years. In addition to such provisions, the
623 commission may impose a civil penalty on any person who violates
624 subsection (b) of section 12 of this act by receiving, agreeing to receive,
625 paying, or agreeing to pay, compensation that is contingent upon the
626 outcome of any administrative or legislative action or by terminating a
627 lobbying contract as the result of the outcome of an administrative
628 action or legislative action. The civil penalty shall not exceed the total
629 amount of compensation that the person was required to pay or be
630 paid under the contingent compensation agreement. No person may
631 benefit from an agreement that violates subsection (b) of section 12 of
632 this act.

633 (b) Notwithstanding the provisions of subsection (a) of this section,
634 the commission may, after a hearing conducted in accordance with
635 sections 4-176e to 4-184, inclusive, of the general statutes upon the
636 concurring vote of five of its members, impose a civil penalty not to
637 exceed ten dollars per day upon any registrant who fails to file any
638 report, statement or other information as required by sections 1 to 16,
639 inclusive, of this act. Each distinct violation of this subsection shall be a

640 separate offense and, in case of a continued violation, each day thereof
641 shall be deemed a separate offense. In no event shall the aggregate
642 penalty imposed for such failure to file exceed two thousand dollars.

643 (c) The commission may also report its finding to the Chief State's
644 Attorney for any action deemed necessary.

645 Sec. 15. (NEW) (*Effective January 1, 2005*) Any person who
646 intentionally violates any provision of sections 1 to 16, inclusive, of this
647 act shall be imprisoned for a term not to exceed one year or shall be
648 fined an amount not to exceed two thousand dollars, or both.

649 Sec. 16. (NEW) (*Effective January 1, 2005*) Each individual who is a
650 lobbyist shall, while engaged in lobbying, wear a distinguishing badge
651 which shall identify the individual as a lobbyist. The size, color,
652 material and other requirements of such badge shall be prescribed by
653 regulation of the State Ethics Commission.

This act shall take effect as follows:	
Section 1	<i>January 1, 2005</i>
Sec. 2	<i>January 1, 2005</i>
Sec. 3	<i>January 1, 2005</i>
Sec. 4	<i>January 1, 2005</i>
Sec. 5	<i>January 1, 2005</i>
Sec. 6	<i>January 1, 2005</i>
Sec. 7	<i>January 1, 2005</i>
Sec. 8	<i>January 1, 2005</i>
Sec. 9	<i>January 1, 2005</i>
Sec. 10	<i>January 1, 2005</i>
Sec. 11	<i>January 1, 2005</i>
Sec. 12	<i>January 1, 2005</i>
Sec. 13	<i>January 1, 2005</i>
Sec. 14	<i>January 1, 2005</i>
Sec. 15	<i>January 1, 2005</i>
Sec. 16	<i>January 1, 2005</i>

Statement of Purpose:

To provide for the regulation of municipal lobbyists in the same manner as the regulation of state lobbyists.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]